

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

<i>In the Matter of</i>)	
)	No. G 2000 - 33
)	
The Market Conduct Examination)	FINDINGS, CONCLUSIONS, AND
of AmerUs Life Insurance Company.)	ORDER ADOPTING REPORT
)	

BACKGROUND

An examination of the market conduct of AmerUs Life Insurance Company (the Company) for the period January 1, 1992, to December 31, 1996, was conducted by market conduct examiners of the Washington State Office of the Insurance Commissioner. The Company is an insurer authorized under RCW 48.05.030. This examination was conducted in compliance with the laws and regulations of the State of Washington and in accordance with the procedures promulgated by the National Association of Insurance Commissioners and the Office of the Insurance Commissioner. This examination was limited to Marketing and Sales Practice, Complaint Handling and Replacement Activity.

The examination report with the findings and recommendations was transmitted to the Company for their comments on October 21, 1999. Response to the draft report was received on December 15, 1999. Additional information was provided on February 18, 2000.

The Commissioner or a designee has considered the report, the relevant portions of the examiner workpapers, and the submission by the Company. The report was modified to reflect new information provided by the company in their response to the draft report.

Subject to the right of the Company to demand a hearing pursuant to chapters 48.04 and 34.05 RCW, the Commissioner adopts the following findings, conclusions, and order.

FINDINGS

The Commissioner adopts as findings the findings of the examiners as contained in the report.

CONCLUSIONS

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the market conduct of the Company.

ORDER

The examination report as filed, attached hereto and incorporated by reference, is hereby **ADOPTED** as the final examination report.

It is **ORDERED** that the Company comply with the Instructions in the Report as follows (the page and other references are to the report):

1. The Company had one piece of advertising that was in violation of WAC 284-23-040(2) and (3). They are instructed to review current advertising materials and to discontinue any advertisement that may, in fact or by implication, have the capacity or tendency to mislead or deceive. (Page 9).
2. The Company is in violation of WAC 284-23-455(2)(b) and is instructed to institute procedures to provide a notification letter to the existing company to be replaced within a 3 day time frame from the time the application is received in home office until the notification letter is sent to the existing company. (Page 18, Appendix A)
3. The Company is in violation of WAC 284-23-455(3) and is instructed to make certain replacement policies are appropriately entered on their replacement logs and that copies of the notification letters are maintained with the replacement log. (Page 18, 19)
4. The Company is in violation of WAC 284-23-455(2)(a) and is instructed to require agents to submit a completed replacement form with each application that is replacing existing coverage with another company. (Page 18, 19)
5. The Company is in violation of WAC 284-23-440(2)(a) and is instructed to require that agents to complete a replacement form when taking an application that is replacing existing coverage at the time the application is taken, not afterwards. (Page 18)
6. The Company is in violation of RCW 48.17.010 and is instructed to make certain all agents are appointed with the State of Washington prior to soliciting applications on behalf of the company. (Page 15)

7. The Company is in violation of RCW 48.17.060 and is instructed to make certain all agents are licensed with the State of Washington prior to soliciting applications on behalf of the Company. (Page 15)

ENTERED at Lacey, Washington, this 24th day of April, 2000.

DEBORAH SENN

Insurance Commissioner

By:

WILLIAM E. FRANSEN

Deputy Commissioner